

FISCAL NOTE

HB 209 - SB 289

March 26, 2001

SUMMARY OF BILL: Provides that in calculating the certified tax rate, a local governing body may adjust the calculation in accordance with a method approved by the State Board of Equalization to account for the projected increase in the cost of services provided by the local government. Specifies that the adjustment is not to exceed 3%.

ESTIMATED FISCAL IMPACT:

Increase Local Govt. Revenues - Exceeds \$5,000,000/Permissive

Estimate assumes to the extent local governments choose to impose the 3% increase as provided for in the bill they will experience an increase in revenues. It is estimated that each year half of the counties undergoing a reappraisal would implement a rate increase of 3% or greater without the provisions of the bill. This impact depends on the number of counties and which counties are reappraising each year. The average annual increase in local government revenues, based on increases in the county and city property tax rates, is estimated to exceed \$5,000,000.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director